

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION**

In re:)	
)	
ROSA NICHOLE RENEE JAMES,)	Case No. 17-41965-BTF7
)	
Debtor.)	
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DANIEL J. CASAMATTA,)	
Acting United States Trustee,)	
Plaintiff,)	
)	
v.)	Adv. Case. No. 18-4168-CAN
)	
CASTLE LAW OFFICE OF KANSAS CITY, P.C.,)	
a Missouri Professional Corporation,)	
)	
and)	
)	
JASON C. AMERINE,)	
)	
Defendants.)	
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In re:)	
)	
HUZAIFAH TARIK BABIKIR,)	Case No. 17-41960-DRD7
)	
Debtor.)	
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DANIEL J. CASAMATTA,)	
Acting United States Trustee,)	
Plaintiff,)	
)	
v.)	Adv. Case. No. 18-4172-CAN
)	
CASTLE LAW OFFICE OF KANSAS CITY, P.C.,)	
a Missouri Professional Corporation,)	
)	
and)	

JASON C. AMERINE,

Defendants.

In re:

ANTOINETTE MICHELLE GRANT,

Debtor.

DANIEL J. CASAMATTA,

Acting United States Trustee,

Plaintiff,

v.

CASTLE LAW OFFICE OF KANSAS CITY, P.C.,

a Missouri Professional Corporation,

and

JASON C. AMERINE,

Defendants.

In re:

JEFFEREY SCOTT HANNAH,

Debtor.

DANIEL J. CASAMATTA,

Acting United States Trustee,

Plaintiff,

v.

CASTLE LAW OFFICE OF KANSAS CITY, P.C.,

a Missouri Professional Corporation,

and

)
JASON C. AMERINE,)
Defendants.)
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In re:)
)
ARLANDO LAMOR HUGHES and) Case No. 18-42590-CAN7
ANGELA SHANTE HUGHES,)
)
Debtors.)
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In re:)
)
CATHERINE RENEE BOSTON) Case No. 18-43172-DRD7
)
Debtor.)
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In re:)
)
RONDY NMN BROWN, JR.) Case No. 18-42945-BTF7
)
Debtor.)
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In re:)
)
JENNIFER LEIGH ELLIS) Case No. 18-43125-BTF7
)
Debtor.)
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In re:)
)
VINCENT PAUL JUAREZ and) Case No. 18-42866-BTF7
MARGIE PAULINE JUAREZ)
)
Debtors.)
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JOINT MOTION TO APPROVE SETTLEMENT

Now comes Daniel J. Casamatta, Acting United States Trustee, (the “UST”) by and through his Counsel of Record, and Jason Amerine and the Castle Law Firm of Kansas City, P.C. (together “Castle Law”) by and through their counsel of record, and move this Court for an order approving a settlement related to the fee disputes raised in the above captioned matters for the following

reasons:

1. The UST filed four adversary proceedings (in James, Hannah, Babikir, and Grant) regarding Castle Law's two-contract process and factoring of fees.
2. In five additional cases (Hughes, Boston, Brown, Ellis and Juarez), Castle Law sought affirmative approval of their fee arrangements with each respective Debtor to which the UST filed objections.
3. By order dated November 7, 2019, this Court ordered the UST and Castle Law to mediate their disputes in the four adversary proceedings and the five additional cases before the Honorable Dale Somers, Chief United States Bankruptcy Judge for the District of Kansas.
4. The parties mediated their claims before Judge Somers on February 4, 2020, which resulted in the parties reaching a settlement term sheet.
5. On April 22, 2020, the parties memorialized the settlement in a formal settlement agreement executed by both parties.¹ The agreement specifies that Castle Law does not admit liability, but that the parties desire to settle the matter.
6. By virtue of the settlement agreement, both Castle Law and the UST now consent to this Court's authority to issue a binding final order approving the settlement agreement.
7. In addition to the four adversary cases, and the five objection cases, the settlement agreement covers an additional 97 cases filed in the Western District of Missouri in which Castle Law used the two-contract process and factored its fees. Thus, the parties

¹ The parties have agreed that the filing of the actual settlement agreement is not necessary for this court to review the motion, as the parties are specifying all material terms in this motion. Nevertheless, should the Court so wish, the parties will provide the Settlement Agreement to the Court for review.

believe the settlement agreement covers all 106 cases filed in this district in which similar disputes could or would arise prior to the settlement.

8. The Settlement Agreement contains the following materials terms:

- a. Castle Law will return to its debtor-clients the “factoring fee” that they believe was received and retained by a third party above Castle Law’s attorneys’ fee. The returned “factoring fee” will only be provided to clients who paid all or part of the “factoring fee”. Based on calculations by the parties, returns will be issued in approximately 88 of the 106 cases. The parties have agreed that Castle Law shall have eighteen (18) months to fully return all “factor fees” contemplated by the agreement on a rolling basis.
- b. Castle Law will pay a civil money penalty of \$3,000 to the Clerk of the United States Bankruptcy Court for the Western District of Missouri.
- c. Castle Law consents to the entry of injunctive relief, for a period of five years following the date of the Settlement Agreement, prohibiting them from violating 11 U.S.C. § 526(a)(2); 11 U.S.C. § 528(a)(1); 11 U.S.C. § 329(a) or § 329(b) or Fed. R. Bankr. P. 2016(b) in any Chapter 7 bankruptcy case filed in the U.S. Bankruptcy Court for the Western District of Missouri.
- d. Castle Law releases the UST from any claims related to his investigation of these fee matters or the prosecution of these matters, including any claims under the Equal Access to Justice Act, 28 U.S.C. § 2412, et seq.
- e. The UST releases Castle Law from all civil causes of action related to the two-contract process and factoring of post-petition attorneys’ fee debts with BK Billing in any of the 106 Chapter 7 cases disclosed by Castle Law, and which would have

been filed prior to December 31, 2019.

9. The Settlement is a fair resolution for the disputes and equitable as to all parties, including the debtors in each of the 106 cases as the debtors who paid a factoring fee will have those fees returned to them.

WHEREFORE, the parties jointly request this Court's approving the settlement and effectuating the terms of the settlement.

Respectfully submitted,

Daniel J. Casamatta
ACTING UNITED STATES TRUSTEE

BY: /s/ Adam E. Miller
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/s/ Matthew G. Koehler

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CERTIFICATE OF SERVICE

I hereby certify that on June 9, 2020, in compliance with Fed. R. Civ. P. 5, as made applicable to this proceeding by Fed. R. Bankr. P. 9014 and 7005, a copy of the foregoing was served electronically by ECF notification on all parties to this matter, and on all parties receiving notice in each above captioned case. In addition, at the request of the Court, the following persons have been served, either electronically or by mail with this motion:

Janice Stanton
Chapter 7 Trustee

Jill Olsen
Chapter 7 Trustee

Bruce Strauss
Chapter 7 Trustee

Victor Weber
Chapter 7 Trustee

Eric Johnson
Chapter 7 Trustee

Gary Barnes
Former Chapter 7 Trustee

Jerald Enslein
Former Chapter 7 Trustee

Erlene Krigel
Former Chapter 7 Trustee

/s Adam E. Miller
Adam E. Miller